

# Short-term loan establishment checklist

Investigator \_\_\_\_\_

DBA name and address \_\_\_\_\_

Date application assigned \_\_\_\_\_ Date case completed \_\_\_\_\_

*In order to begin processing a short-term loan establishment application, an **applicant** must submit the following*

\_\_\_\_\_ Before submitting an application, contact the City Planning and Development Department so that they may determine if zoning will allow your proposed business to operate at your proposed location – **City Planning and Development Department** in City Hall, 414 E. 12<sup>th</sup> St., (816) 513-1500

\_\_\_\_\_ Short-term loan establishment application – **must be signed and notarized**

\_\_\_\_\_ **Permit fee** – new short term loan establishment permit: \$1,000 per year or \$500 if less than six months remaining in the calendar year (**Section 43-5{b}{1}**)

*All of the following information must be submitted by the applicant*

Have   Need

\_\_\_\_\_   \_\_\_\_\_ Consultant consent form signed by the applicant (only applicable if a consultant is used)

\_\_\_\_\_   \_\_\_\_\_ Four recent photographs (one each of the front, back and both sides of the premises to be licensed)

\_\_\_\_\_   \_\_\_\_\_ One recent photograph of each sign that is located on the interior or exterior of the building that is visible to the public from the exterior of the building (see Section 43-23 for specific regulations)

\_\_\_\_\_   \_\_\_\_\_ **LLC only** – a copy of the **operating agreement** listing all of the members and managers of the LLC  
**Corporation only** – a copy of the **bylaws and all amendments and organizational minutes**, verifying all corporate officers, shareholders and number of shares held  
**Partnership only** – a copy of the **partnership agreement** (limited partnership requires partnership application and appointment of the managing partner) – the managing partner must be noted on the application

\_\_\_\_\_   \_\_\_\_\_ Certificate of good standing **from the State of Missouri**. If the business is less than one year old or a certificate of good standing cannot be retrieved, submit a certificate of organization (LLC or limited partnership – Not *general partnership*) **or** certificate of incorporation corporation) – **from the State of Missouri**, State Office Building in KCMO, 615 E. 13<sup>th</sup> St., (816) 889-2925

\_\_\_\_\_   \_\_\_\_\_ Fictitious name registration (**if DBA is different than the corporate name**) – from the State Office Building, 615 E. 13<sup>th</sup> St., (816) 889-2925

An application can be processed without the **contingency items** that are listed below. However, all **contingency items** must be submitted before a license will be issued.

Have   Need

\_\_\_\_\_   \_\_\_\_\_ A copy of the certificate of occupancy – from the City Planning and Development Department in City Hall, 414 E. 12<sup>th</sup> St., (816) 513-1500, Option 4 – **contingency item**

\_\_\_\_\_   \_\_\_\_\_ A copy of the fire permit (must be from the DBA applying) – from the Fire Marshal's Office, 635 Woodland Ave., (816) 784-9100

\_\_\_\_\_   \_\_\_\_\_ A statement of tax clearance dated within the preceding 90 days from the date of application – from the Business License unit of the Finance Department at 1118 Oak Street, KCMO (816) 513-1135.  
– **contingency item**

*The following requirements will be completed by the investigator working on your case*

Have   Need

\_\_\_   \_\_\_   **Investigator requirement** – complete and submit the short-term loan establishment supplemental checklist

\_\_\_   \_\_\_   **Investigator requirement** – submit final "compliance" photographs of the facility showing no violations and upload photos in EnerGov

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that there is a "no loitering" policy posted on the premises, including parking areas and other exterior parts of the premises – **Section 43-23(1)**

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that signage has been limited to *only one wall* or fascia sign on any building wall with a total square feet of area of advertising copy not to exceed 5 percent of the total square feet of area of such wall and displaying only non-primary colors (primary colors are red, yellow and blue). In multiple-story buildings, the total height of the wall shall not exceed 20 feet for the purpose of this computation – **Section 43-23(2)**

*The wall measurement will be taken as follows* – the length of the wall multiplied by height of the wall (not to exceed 20 feet) multiplied by .05 (5 percent is total square feet allowed) where all measurements or fractions will be rounded up (example: 30' (length – actual measurement 29 feet 4 inches) X 15' (height) = 450 (total square feet) X .05 = 22.5 total square feet allowed for the sign (round up to 23). This means that a sign 5 feet long by 4 feet high would be permissible for this wall.

Wall: Height \_\_\_\_\_ (X) Length \_\_\_\_\_ = \_\_\_\_\_ (X) .05 = \_\_\_\_\_ (Total square feet allowed for signage)

Sign 1: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_ Sign 2: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_ Sign 3: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_

Sign 4: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_ Sign 5: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_ Sign 6: \_\_\_\_\_ (H) \_\_\_\_\_ (L) \_\_\_\_\_

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that the use, installation or erection of any incidental, temporary, changeable copy, digital equipment display, revolving, flashing, blinking or animated movement by mechanical means of *roof signs* advertising the short-term loan establishment or any services or products offered is not in use – **Section 43-23(3)**

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that no banner has been installed or erected – **Section 43-23(4)**

\_\_\_   \_\_\_   **Investigator requirement** – Visit the facility and verify that the exterior of the premises has not been painted or covered with a primary color (primary colors are red, yellow and blue). If the exterior of the premises has been painted or covered with a primary color, any such painting or covering must be repainted or recovered with a non-primary color before a permit will be granted – **Section 43-23(5)**

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that the premises and all adjacent sidewalks and alleys within 50 feet of the premises have been properly maintained so that no trash or litter is found thereon – **Section 43-23(12)**

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that the licensee or a manager of the business is present at the premises at all times during its hours of operation – **Section 43-23(13)**

\_\_\_   \_\_\_   **Investigator requirement** – visit the facility and verify that a notice has been posted in a print not less than 24-point, bold type\* within 3 feet of each location within the premises at which a customer, borrower or other member of the general public is invited or directed to stand or sit to either apply for a loan, to answer or ask questions, to review or sign transaction documents, to receive loan proceeds, to make payments or to inquire about, or apply for, the renewal or the rolling over of a loan, which sets out the following information

(i)      The interest rates and fees charged

(ii)     The annual percentage rate equivalent of the aggregate of those interest rates and fees charged per \$100 borrowed

- (iii) A computation of the amounts that would be paid on an original loan renewed or rolled over after the expiration of its original term without any payment of either principal or interest each time, up to the six times
- (iv) A warning that default may result in loss of property used as security for the loan and garnishment of wages, and checking and savings accounts
- (v) Notice of any state or federal rights to rescind the loan agreement – **Section 43-23(6)**

## **\*This is 24-point, bold type print**

Below is a sample letter based on the ordinance requirement of Section 43-23(6)

1. The maximum amount of interest and fees that a lender may collect on the entire term of a single loan is 75 percent of the initial loan amount.
2. The borrower must reduce the principal amount of the loan by not less than 5 percent of the original loan amount upon the first renewal of the loan agreement and each subsequent renewal.
3. A loan agreement may be renewed a maximum of six times. (The company's specific renewal policy and options should be inserted here along with formula and payout amount on \$100 for each option of the company)

Examples:

### **First payment loan option**

<u>Loan</u>	<u>Payment</u>
\$100	\$118

**Total amount paid = \$118**

### **Second payment loan option**

Three equal payments plus payoff

<u>Loan</u>	<u>Payment</u>	<u>Payoff on four</u>
\$100	\$23	\$96.62

**Total amount paid = \$165.92**

### **Third payment loan option**

Six equal payments plus payoff

<u>Loan</u>	<u>Payment</u>
\$100	\$23

**Total amount paid = \$168**

4. **Warning** – Failure to pay the loan may result in loss of property used as security for the loan and garnishment of wages and checking and savings accounts. You may cancel this loan without costs by returning the full principal balance to the lender by the close of the lenders' next full business day.

*Short-term loan establishment business* (definition) – An establishment which (a) engages in the business of providing money to customers on a temporary basis, wherein such loans are secured by post-dated check, paycheck, or car title, or (b) is registered as a lender under state or federal law. The classification does not include a state or federally chartered bank, savings and loan association, credit union, or mortgage broker or originator. Further, this classification does not include establishments selling consumer goods, including consumables, where the loans or the cashing of checks or money orders are incidental to the main purpose of the business. This classification does include, but is not limited to, check cashing stores, payday loan stores, and car title loan stores.